

August 26, 2019

Joint Legislative Committee on Local Government
Committee Chair and Committee Assistant
N.C. General Assembly
16 W Jones Street
Raleigh, North Carolina 27601

Fiscal Research Division
N.C. General Assembly
Suite 619
Legislative Office Building
300 N Salisbury Street
Raleigh, North Carolina 27603-5925

RE: Financing of Water System Improvements
Town of Valdese, North Carolina

Dear Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the North Carolina General Statutes, the Town of Valdese is notifying you of its intent to enter into a Drinking Water State Revolving Fund (SRF) loan with the Division of Water Infrastructure for improvements to the Town's water distribution system. The project is needed to improve distribution system performance and resiliency. The project generally includes the replacement of approximately 6,800 linear feet of cast-iron water mains with new ductile-iron water mains, hydrants, valves and all related appurtenances. The estimated SRF loan amount of \$1,782,950 will be offered at zero percent interest to finance the project. A 2% loan closing fee applies to the SRF program and would be paid directly by the Town from the fund balance. The Town will use a combination of fund balance and rate increases to fund the project.

If additional information is needed, please contact me by phone at (828) 879-2123, or by mail at Post Office Box 339, 102 Massel Avenue South West, Valdese, North Carolina 28690.

Sincerely,
TOWN OF VALDESE

Seth Eckard
Town Manager



cc: Local Government Commission
N.C. Dept. of State Treasurer
325 N. Salisbury Street
Raleigh, North Carolina 27603-1385

Greg Padgett, Town of Valdese
R.J. Mozeley, PE, McGill Associates, P.A.